NATIONAL BANK FINANCIAL

The Week at a Glance

April 23rd, 2021

THE WEEK IN NUMBERS

(April 19th – April 23rd)

Research Services

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INDEX	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	Trailing P/E
Dow Jones Industrial	34,043.49	-157.18	-0.46%	11.23%	44.77%	22.9
S&P 500	4,180.17	-5.30	-0.13%	11.29%	49.41%	29.6
Nasdaq Composite	14,016.81	-35.53	-0.25%	8.76%	65.01%	36.4
S&P/TSX Composite	19,102.33	-248.99	-1.29%	9.57%	34.04%	20.2
Dow Jones Euro Stoxx 50	4,013.34	-19.65	-0.49%	12.97%	40.70%	27.0
FTSE 100 (UK)	6,938.56	-80.97	-1.15%	7.40%	19.08%	19.8
DAX (Germany)	15,279.62	-180.13	-1.17%	11.38%	45.33%	23.4
Nikkei 225 (Japan)	29,020.63	-662.74	-2.23%	5.74%	49.36%	24.9
Hang Seng (Hong Kong)	29,078.75	109.04	0.38%	6.78%	21.28%	15.0
Shanghai Composite (China)	3,474.17	47.55	1.39%	0.03%	22.39%	13.6
MSCI World	2,946.11	-7.24	-0.25%	9.52%	49.22%	27.8
MSCI EAFE	2,287.85	-11.43	-0.50%	6.53%	42.76%	22.0

S&P TSX SECTORS	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	Trailing P/E
S&P TSX Consumer Discretionary	278.43	3.42	1.24%	19.42%	85.22%	34.1
S&P TSX Consumer Staples	665.59	-3.25	-0.49%	5.19%	6.72%	18.4
S&P TSX Energy	113.18	-4.90	-4.15%	24.36%	69.05%	N/A
S&P TSX Financials	352.22	0.45	0.13%	15.00%	49.99%	13.6
S&P TSX Health Care	72.76	-0.47	-0.64%	20.96%	46.99%	N/A
S&P TSX Industrials	348.44	-6.85	-1.93%	5.96%	37.59%	30.3
S&P TSX Info Tech.	187.83	-8.10	-4.13%	3.00%	42.73%	64.8
S&P TSX Materials	326.41	-3.15	-0.96%	1.81%	11.98%	21.7
S&P TSX Real Estate	339.91	1.25	0.37%	13.89%	36.89%	16.9
S&P TSX Communication Services	183.58	-0.48	-0.26%	12.12%	16.38%	24.3
S&P TSX Utilities	330.85	-2.14	-0.64%	3.55%	21.09%	20.6

COMMODITIES	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	NBF 2021E
Oil-WTI futures (US$/Barrels)	$62.13	-1.00	-1.58%	28.05%	276.55%	$59.50
Natural gas futures (US$/mcf)	$2.73	0.04	1.68%	7.33%	50.14%	$2.75
Gold Spot (US$/OZ)	$1,777.10	-1.90	-0.11%	-6.13%	2.53%	$1,743
Copper futures (US$/Pound)	$4.34	0.16	3.79%	23.46%	86.68%	$4.00

CURRENCIES	Last price	Curr. Net Change	% Change Week	% Change YTD	%Change 1 Year	NBF Q4/21e
Cdn$/US$	0.8019	0.0024	0.30%	2.14%	12.86%	0.83
Euro/US$	1.2096	0.0113	0.94%	-0.96%	12.25%	1.23
Pound/US$	1.3882	0.0052	0.38%	1.53%	12.48%	1.40
US$/Yen	107.88	-0.89	-0.82%	4.49%	0.28%	108

Source: Refinitiv and NBF Research

Please see last page for NBF Disclosures

FIXED INCOME NUMBERS

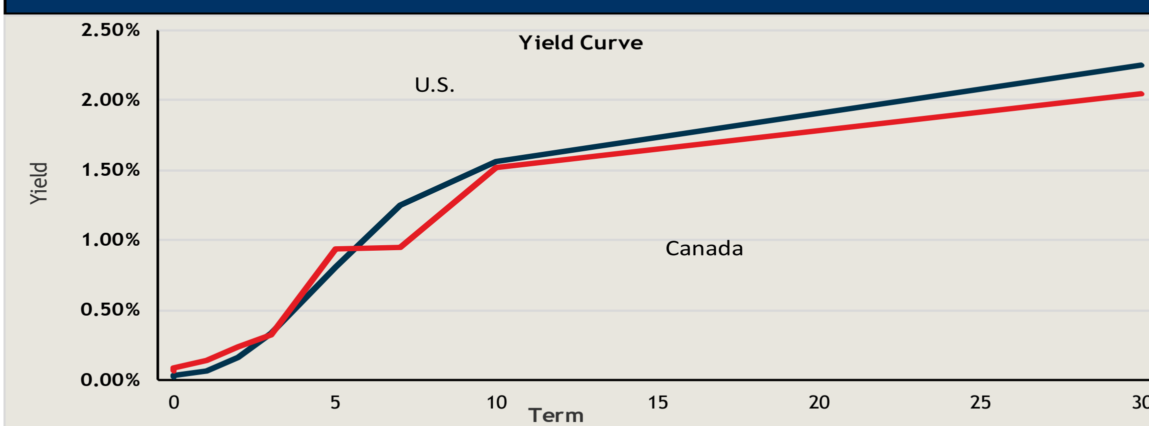
THE WEEK IN NUMBERS
(April 19th – April 23rd)

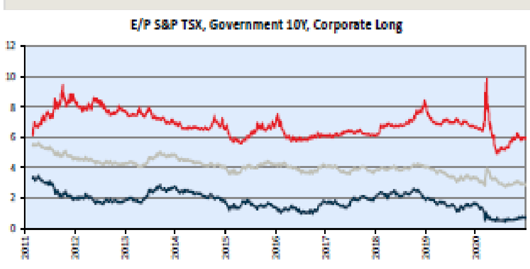
Canadian Key Rate	Last	Change 1 month bps		Last	Change 1 month bps
CDA o/n	0.25%	0.0	CDA 5 year	0.94%	-9.5
CDA Prime	2.45%	0.0	CDA 10 year	1.52%	-14.9
CDA 3 month T-Bill	0.09%	-0.9	CDA 20 year	1.80%	-17.2
CDA 6 month T-Bill	0.14%	-1.3	CDA 30 year	2.05%	-19.5
CDA 1 Year	0.24%	-1.5	5YR Sovereign CDS	38.29	0.4
CDA 2 year	0.32%	-2.6	10YR Sovereign CDS	39.91	0.0

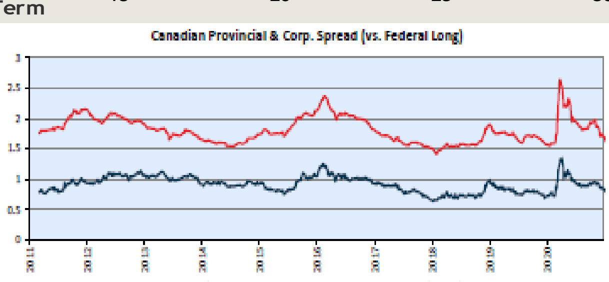
US Key Rate	Last	ClSnge 1 month bps		Last	ClSnge 1 month bps
US FED Funds	0-0.25%	0.0	US 5 year	0.81%	-8.3
US Prime	3.25%	0.0	US 10 year	1.56%	-16.4
US 3 month T-Bill	0.02%	-0.1	US 30 year	2.25%	-23.5
US 6 month T-Bill	0.04%	-0.4	5YR Sovereign CDS	9.96	-0.6
US 1 Year	0.06%	-0.6	10YR Sovereign CDS	17.44	-1.9
US 2 year	0.16%	-1.5			

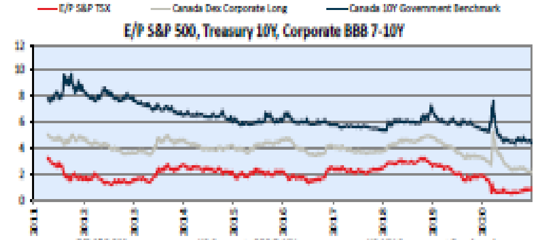
CANADIAN BOND - TOTAL RETURN	Change Week	Change Y-T-D
FTSE Universe Bond Index	-0.71%	-4.88%
FTSE Short Term Bond Index	-0.07%	-0.47%
FTSE Mid Term Bond Index	-0.27%	-3.97%
FTSE Long Term Bond Index	-1.89%	-10.79%

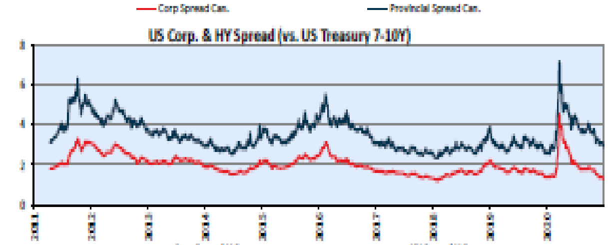
CURRENT YIELD CURVE









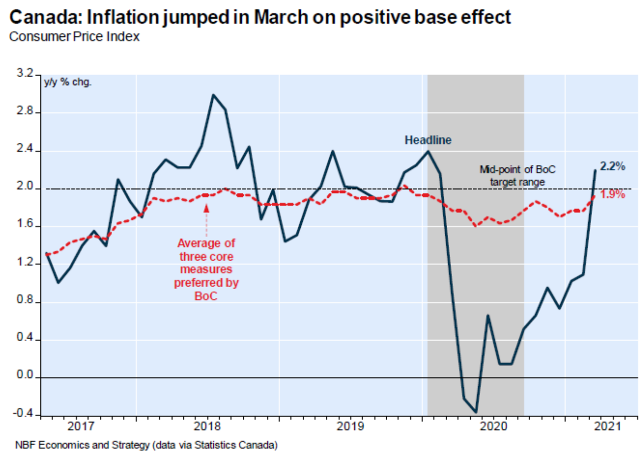


Source: Refinitiv & NBF

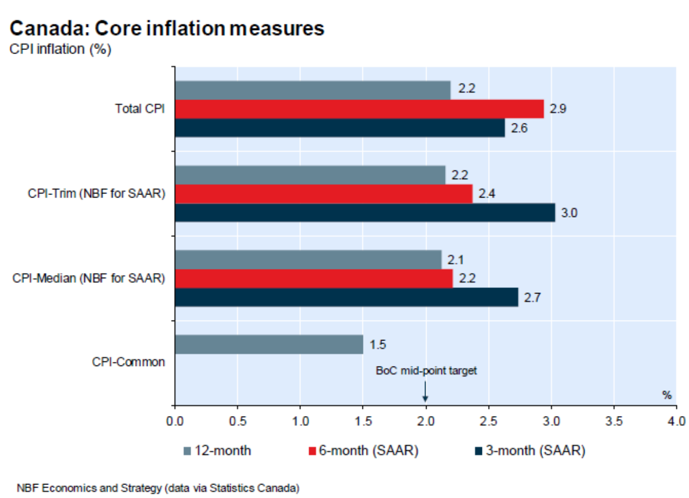
NBF Economy & Strategy Group

WEEKLY ECONOMIC WATCH

CANADA - The **Consumer Price Index** rose 0.5% in March (not seasonally adjusted), one tick short of consensus expectations. In seasonally adjusted terms, headline prices advanced just 0.1% as higher prices for shelter (+0.8%), transportation (+0.5%) and health/personal care items (+0.2%) were partially offset by lower prices for household operations (-0.7%), clothing (-0.4%) and recreation/education (-0.2%). Year on year, headline inflation clocked in at 2.2%, up from 1.1% in February. On the same basis, the Bank of Canada's three core inflation measures were as follows: CPI-common 1.5% (vs. 1.3% the prior month), CPI-trim 2.2% (vs. 1.9%), and CPI-median 2.1% (vs. 2.0%). The average of the three eked up a tick to 1.9%.

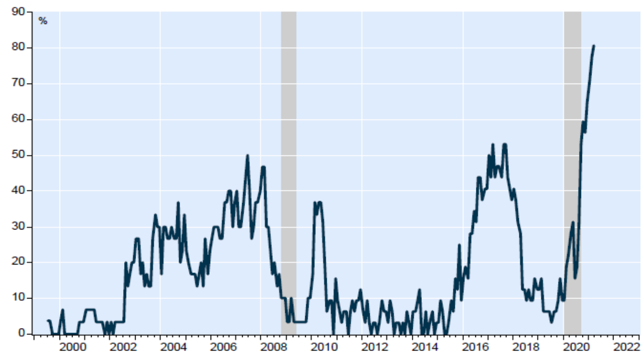


To no one's surprise, the annual inflation rate shot up sharply in March. The headline figure was driven by a substantial positive base effect, as inflation was negatively impacted last year by the imposition of COVID-19 containment measures. Specifically, headline inflation was positively affected by a 35.3% increase in gasoline prices over the past 12 months. Prices for shelter (+2.4% y/y), meanwhile, continued to be pulled in different directions. On the one side, the homeowners' replacement cost index (influenced by new home prices) was running at +7.9% y/y (fastest pace since December 2006) as demand for housing and rising building costs fueled higher prices. On the other side, the mortgage interest cost index was down 6.3% as mortgage rates were lower than the year before. Regarding headline inflation again, on a month-over-month seasonally adjusted basis, prices rose a tepid 0.1% but this did not tell the whole story, as underlying inflation was rather stiffer. According to our in-house replications, the BoC's preferred core measures were showing much stronger momentum, with the CPI-median rising 0.22% m/m (+2.7% annualized over the past three months) and CPI-trim increasing 0.26% m/m (+3.0% annualized over the past three months). While these did show more vigour, the real question is whether inflationary pressures are temporary. We do not think so. After a difficult month of April, the vaccination campaign should permit a relaxation of sanitary measures in May and a gradual re-opening of the economy. This should allow consumers to unleash the sizeable excess savings that they accumulated during the pandemic and create a situation of excess demand in several sectors. We see headline inflation running at about 2.5% in Q4 2021.



The Teranet–National Bank Composite National House Price Index™ rose 1.5% in March. All 11 markets covered by the composite index were up on the month, led by Halifax (3.3%), Toronto (1.9%), Vancouver (1.5%), and Montreal (1.1%). From March 2020 to March 2021, the composite index advanced 10.8%, led by Halifax (22.5%), Hamilton (20.9%), Ottawa-Gatineau (19.0%), Montreal (16.1%), and Toronto (11.2%). Victoria (10.5%), Quebec City (8.1%), Vancouver (7.9%), Winnipeg (7.8%), Edmonton (2.9%) and Calgary (1.8%) lagged behind the national average. Home prices reached a new high after advancing for the 17th straight time in March. The recent vigour coincides with historically high numbers of home sales in most regions of Canada, coupled with limited supply. Gains have been quite widespread in the past 12 months, with prices up 10% or more from a year earlier in an unprecedented 81% of the 32 urban markets surveyed. However, price increases have varied by dwelling type. In the main metropolitan markets, the rise has been much smaller for condos than for single-family homes. One reason for the difference has been a shift in preference away from small dwellings in city centres toward larger homes in the suburbs.

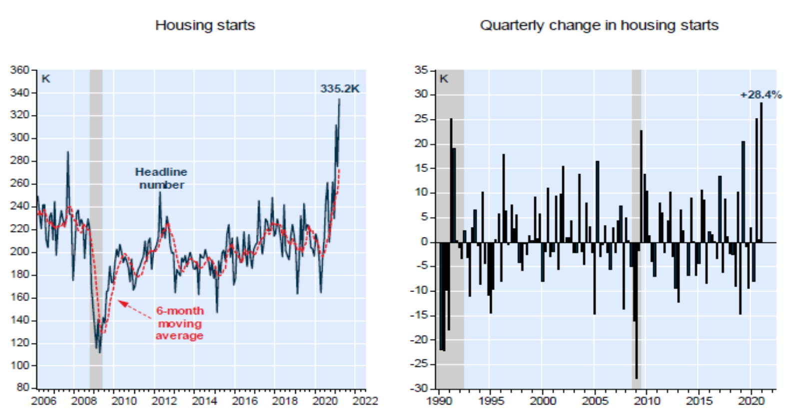
Canada: Strong growth in home prices affecting most markets
Share of regional markets* where prices rose 10% or more in past 12 months



*Out of 32 in all
NBF Economics and Strategy (data via Teranet-National Bank)

Housing starts soared to 335.2K in March (seasonally adjusted and annualized) from an upwardly revised 275.6K the prior month (initially estimated at 245.9K). This was the highest level recorded since data collection began in 1990. Urban starts jumped from 242.0K to 301.0K on increases for both the single-family segment (from 75.9K to 78.6K) and the multi-family segment (from 166.2K to an all-time high of 222.4K). At the provincial level, total starts progressed from 90.1K to 130.7K in Ontario (a record), from 45.2K to 71.2K in British Columbia (also a record), and from 27.1K to 28.8K in Alberta. These gains were only partially offset by a 7.9K drop in Quebec (to 83.6K). In Q1 as a whole, starts sprang an unprecedented 28.4% countrywide on gains for both single-family units (+36.8%, their steepest increase ever) and multi-family units (+20.3%).

Canada: Starts at an all-time high in March



NBF Economics and Strategy (source: CMHC via Refinitiv)

While federal government income support programs no doubt contributed to maintain demand for housing high despite the pandemic's impact on the economy, low interest rates probably played an even bigger role. It is important to bear in mind that the housing sector is very sensitive to changes in borrowing costs. This is why the recent rise of mortgage rates might contribute to cool construction down going forward. Meanwhile, the residential sector is expected to have made a hefty contribution to growth in the first quarter.

NBF Economy & Strategy Group

On Wednesday, the **Bank of Canada** opted to keep its main policy rate at the effective lower bound of 0.25%, a decision fully expected by the market. Also consistent with the consensus was the announcement that the BoC was slowing the weekly pace of its QE program. Purchases will be going from at least $4 billion per week to a net $3 billion per week starting the week of April 26. This "reflects the progress made in the economic recovery." While the matter was not specified in the rate statement, BoC Governor Tiff Macklem acknowledged at the press conference that the composition of its purchases would remain "broadly the same". Down the road, "decisions regarding further adjustments to the pace of net purchases [would] be guided by Governing Council's ongoing assessment of the strength and durability of the recovery."

With the market focused on the Bank's forward guidance for the policy rate, the Bank now says the following: "We remain committed to holding the policy interest rate at the effective lower bound until economic slack is absorbed so that the 2 percent inflation target is sustainably achieved. Based on the Bank's latest projection, this is now expected to happen sometime in the second half of 2022." Previously, its forward guidance did not expect this to occur before 2023. However, the Governing Council also noted that "to gauge the evolution of slack, the Bank [would] look at a broad spectrum of indicators, including various measures of labour market conditions." In other words, policy normalization could be delayed if the labour market were slow to fully recover.

As for the economy, the statement underscored that the outlook for the global economy had improved while acknowledging the challenges posed by another wave of infections and lockdowns in some regions. For Canada, the Bank noted that Q1 appeared considerably stronger than previously expected thanks to the ability of households and businesses to adapt to the situation. The Bank highlighted the strong job reports for February and March but noted that "lockdowns [would] pose another setback and the labour market remain[ed] difficult for many Canadians, especially low-wage workers, young people and women". The Bank expects strong consumption as the economy reopens and beyond, while strong foreign demand and higher commodity prices should aid the recovery in exports and business investment. The statement also acknowledged that federal and provincial stimulus would contribute to growth. On inflation, the Bank reiterated that it would look through base-year effects that had pushed year-on-year CPI readings above 2% and were expected to reach the top of its 1-3% target band. Importantly, it now saw inflation returning to 2 percent on a sustained basis "sometime in the second half of 2022".

On housing, the Bank stated that it would "continue to monitor the potential risks associated with the rapid rise in house prices". It also observed that the strength of the Canadian dollar was being driven by rising commodity prices.

The central bank also released the latest edition of its Monetary Policy Report, which included positive revisions to its forecasts. Global GDP growth was boosted from -2.9% to -2.4% for 2020 and from 5.6% to 6.8% for 2021 thanks to faster-than-planned vaccine rollouts in some jurisdictions and a new round of fiscal stimulus in the United States. However, its projection for 2023 was revised down from 3.9% to 3.3%. Regarding the Canadian economy, the BoC now expected GDP to expand 6.5% in 2021, which is quite a jump from the 4.0% forecast in January's MPR. This change reflected a much stronger start to the year than the BoC anticipated: Q1 growth was revised from an annualized -2.5% to +7.0% (the Bank estimated that the output gap narrowed to between -3.0 percent and -2.0 percent in the first quarter). Although this upgrade was partly offset by a downward revision to the growth forecast for 2022 from 4.8% to 3.7%, the GDP profile remained more robust across the forecast horizon (i.e., through 2023). Compared with previous estimates, the level of real GDP was now projected to be 2.5% higher in 2021, 1.5% higher in 2022, and 2% higher in 2023. These numbers are predicated on the assumption that the tougher restrictions imposed in Canada in response to the spike in COVID-19 cases would begin to be eased by late May. The BoC also assumed that herd immunity would be achieved in the country by the end of 2021. It is worth noting, however, that the Bank's projections were finalized before the federal budget tabled on Monday. The budget contains C$101.4 billion of additional stimulus over three years, which is considerably more than the C$85 billion that the Bank factored into its models. What's more, half of Ottawa's new stimulus will be front-loaded in the earliest stage of the recovery (i.e., 2021-22).

Stronger growth projections also translated into a more vigorous inflation forecast. Again, the 2021 figures were the ones most revised, with CPI inflation now projected to reach 2.3% in the year instead of 1.6%. The longer-term outlook, too, was revised upward: The Bank now expects inflation to slip back to 1.9% in 2022 (instead of 1.7%) and then prop up again to 2.3% in 2023 (instead of 2.1%). Finally, the MPR showed a sizeable upward shift in the estimated range for potential output. According to the Bank: "This change reflects stronger expected investment — including in automation and digitalization — and reduced scarring effects from the pandemic."

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Unsurprisingly, plenty of questions were fielded on Canada's red-hot housing market during the press conference. While Macklem acknowledged evidence of speculative behaviour, he did not seem overly concerned. He welcomed the OSFI's decision to up the minimum qualifying rate for uninsured mortgages and the federal government's proposed tax on vacant, foreign-owned homes. He noted much of the run-up in home prices was fundamentally driven and that supply simply had not managed to keep up with demand. The Bank will say more on the matter in its May Financial Stability Report.

BoC: Summary of Economic Projections

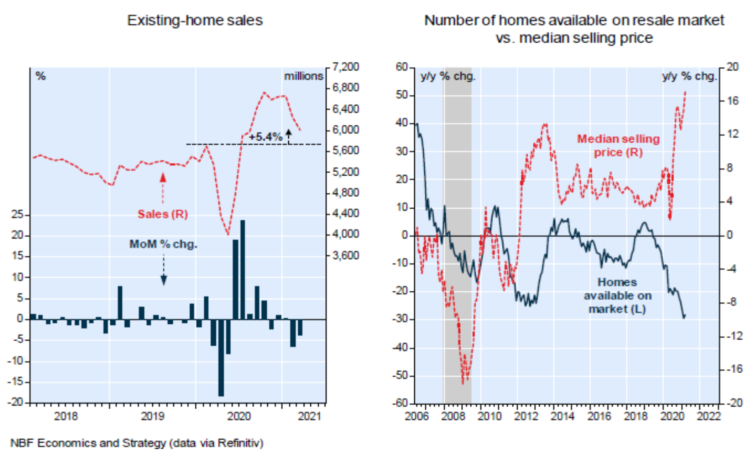
	Latest	January MPR
Change in real GDP (%)		
2020	-5.4	-5.5
2021	6.5	4.0
2022	3.7	4.8
2023	3.2	2.5
CPI inflation (y/y % chg.)		
2020	0.7	0.7
2021	2.3	1.6
2022	1.9	1.7
2023	2.3	2.1
Range for potential output (%)		
2020	0.8 - 2.0	0.1 - 1.3
2021	0.8 - 2.2	0.2 - 1.6
2022	0.4 - 2.2	0.3 - 1.9
2023	1.0 - 3.0	0.2 - 2.2

NBF Economics and Strategy

UNITED STATES - New-home sales bounced back sharply in March after having been hit by the "deep freeze" in February. The number of transactions spiked 20.7% m/m to a 15-year high of 1,021K (seasonally adjusted and annualized). This was significantly stronger than the 885K expected by consensus and way above this indicator's pre-pandemic peak (774K). The increase in sales, combined with stagnant listings, led to a decrease in the inventory-to-sales ratio from 4.4 to 3.6, a level indicative of very tight supply. Also worth noting, the number of properties sold but not yet built totaled 342K in April, the highest on record. Such a hefty backlog should continue to support residential construction going forward.

Still in March, **existing-home sales** cooled for the second time in a row, falling 3.7% to a seven-month low of 6,010K (seasonally adjusted and annualized). Despite the decline, sales remained 5.4% above their pre-crisis level (5,700K in 2020M02). Contract closings for single-family dwellings slid 4.3% to 5,300K, dwarfing a 1.4% increase in the condo segment to 710K. The inventory-to-sales ratio ticked up to 2.1 but continued to indicate extremely scarce supply. (According to the National Association of Realtors, a ratio of <5 indicates a tight market.) Aside from resilient sales, the persistent tightness of the market can be explained also by an extreme shortage of listings. Indeed, the inventory of properties available for sale totaled just 1.07 million (not seasonally adjusted) in the month. Not only was this down 28.2% from 12 months earlier, it also represented the lowest March level ever recorded. Lack of supply has been largely responsible for supporting prices since the beginning of the COVID-19 crisis. In March, the median price paid for a previously owned home progressed 17.2% y/y to an all-time high of $329,100. The 12-month gain in price was also the steepest ever recorded. The extra stimulus announced by the Biden administration and the progressive re-opening of the economy should sustain demand on the resale market. That said, sky-high prices, extremely low inventories and slightly higher borrowing costs could act as a damper.

United States: Lack of supply driving price surge in resale market



NBF Economics and Strategy (data via Refinitiv)

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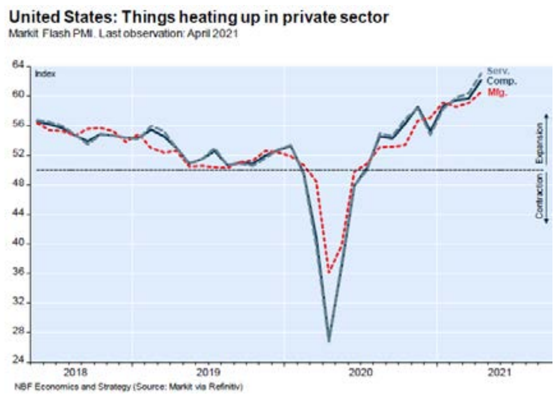
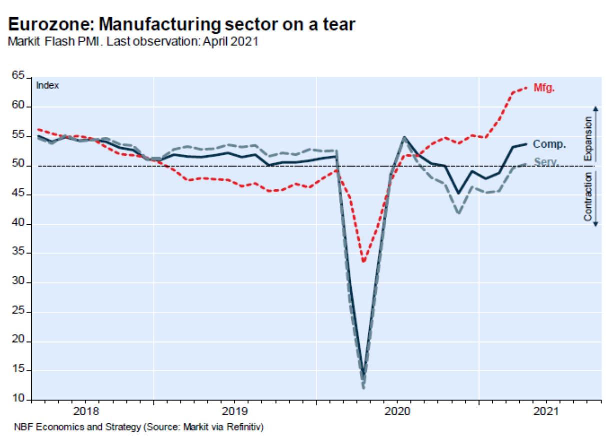
The **Markit flash composite PMI** came in at 62.2 in April, up from 59.7 the month before and the highest reading on record. Operating conditions continued to improve in the **manufacturing** sector, as evidenced by a rise from 59.1 to an all-time high of 60.6 in the corresponding PMI gauge. Output growth accelerated, and new orders placed at factories piled up at the fastest pace since April 2010. Capacity issues at suppliers and ongoing port delays exacerbated supply chain disruptions in the month. As a result, supplier delivery delays lengthened the most on record. The rate of input price inflation, meanwhile, was the most acute since July 2008, thanks to "severe supplier shortages and marked rises in transportation fees." Firms operating in the manufacturing sector were able to partially pass higher costs along to clients, as prices charged surged at the second steepest pace since data collection began. For its part, the services sector sub-index jumped from 60.4 in March to a record 63.1 in April. According to Markit's report, "growth was reportedly driven by stronger client demand and the reopening of many businesses amid the easing of restrictions." New business increased at an unprecedented pace, a development which caused work backlogs to expand the most since September 2020. In an attempt to deal with lengthening order books, firms operating in the services sector expanded payrolls the most since December. The degree of optimism towards future output remained very high across the private sector, with the vaccine rollout acting as a virtual shot in the arm for confidence.



WORLD - Operating conditions in the **Eurozone's private sector** improved for the second month in a row in April. **Markit's Flash Composite PMI** rose from 53.2 to a 9-month high of 53.7 and that despite the maintenance of strict distancing measures in several countries. The manufacturing sector expanded for a tenth month in a row, with the associated sub-index springing from 62.5 to an all-time high of 63.3. Factories operating in the eurozone reported record expansions for both output (from 63.3 to 63.4) and new orders (from 64.3 to 64.6). Headcounts, meanwhile, rose at the fastest pace since February 2018 but that did not prevent a sharp increase in work backlogs. With input price inflation surging the most in a decade and supplier delivery times lengthening to the greatest extent in the survey's 23-year history, prices charged by factories rose at an unprecedented pace. Services-producing businesses continued to suffer from social distancing measures, but nonetheless signal a modest improvement in operating conditions. The corresponding index rose above the 50-point threshold for the first time in 8 months, climbing from 49.6 to 50.3. Incoming new business shrank for a ninth month running albeit at a slower pace than in March, as the gauge went from 49.1 to 49.8. Despite weak demand, input prices still increase the most in two years. Looking ahead, businesses operating in the eurozone's private sector showed a high degree of optimism. Indeed, expectations for future output in April were at their highest since comparable data were first available in mid-2012.



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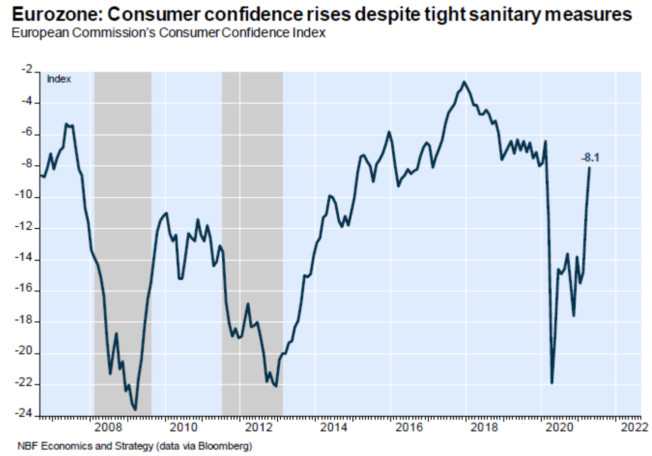
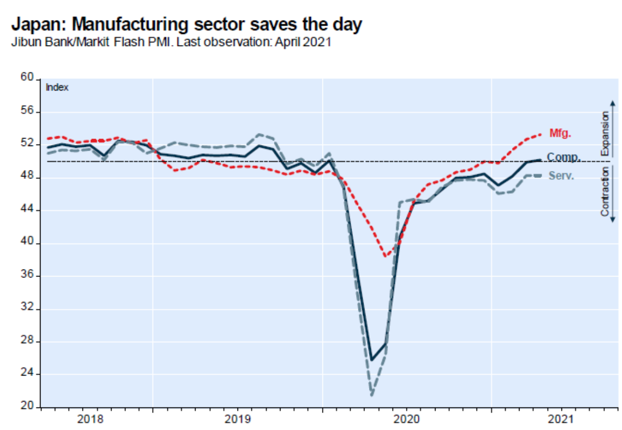
The **European Commission's index of consumer confidence** climbed from -10.8 in March to -8.1 in April, a 14-month high. The gain hoisted the index closer still to its pre-pandemic level.



The **European Central Bank** kept its monetary policy unchanged on Thursday. It held its main refinancing rate at 0.00%, its marginal lending rate at 0.25%, and its deposit facility rate at 0.50%. The ECB's €1.85-trillion Pandemic Emergency Purchase Program (PEPP) was also left untouched, with the central bank confirming that purchases made under the program would continue to run at an elevated pace in the current quarter. The tone adopted in the statement and at the press conference was slightly more optimistic about the economic outlook. Indeed, ECB President Christine Lagarde stated that, although "incoming economic data, surveys and high-frequency indicators suggest[ed] that economic activity [might] have contracted again in the first quarter," they were still pointing "to a resumption of growth in the second quarter." "The progress with vaccination campaigns," she affirmed, "should allow for a gradual relaxation of containment measures, pav[ing] the way for a firm rebound in economic activity in the course of 2021." Still, Lagarde deemed that it was "premature" to discuss phasing out of the ECB's bond buying at this point. "We still have a long way to go for the economy to become sustainable… we have to cross the bridge of the pandemic and be able to walk on solid ground," she said.

The April iteration of the **Jibun Bank/Markit flash PMI** showed the first expansion in private-sector activity in **Japan** since January 2020. The composite index edged up 0.3 point to 50.2, signalling just a modest improvement in conditions amid a fresh wave of COVID-19 infections. As is usually the case when social distancing measures are tightened, the services sector suffered the most. The corresponding sub-index remained well in contraction territory (<50) at 48.3. New business for service providers contracted for a fifteenth month in a row but that did not prevent a small increase in headcounts. The manufacturing tracker, meanwhile, rose from 52.7 to a 3-year high of 53.3. Factory output growth strengthened while new orders accumulated at the fastest pace since January 2018.



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BRITISH COLUMBIA 2021 BUDGET

Self-proclaimed “deficit budget” ups spending, leaves few behind

Highlights:

Having secured a coveted majority mandate in last fall’s general election, BC’s NDP government presumably had a freer hand to craft this budget than in recent years. BC Finance Minister Selina Robinson told us this was going to be “deficit budget” and there’s a fair bit of red ink: $27.6 billion over the four-year period inclusive of 2020-21 to 2023-24, and perhaps 7-9 years needed to get back to balance. Constructively, the 2020-21 balance now looks considerably better than that telegraphed last December, the deficit down to $8.1 billion vs. the prior $13.6 billion estimate (with taxation revenue recovering, the feds stepping in with additional relief and certain contingencies/allowances applied to the deficit). Building on investments/protections offered up last year, Budget 2021 steers $8.7 billion over three years to base funding increases, in addition to $4.6 billion over three years in pandemic-recovery contingencies/supports. Collectively, new spending combined with the scheduled drop off in federal transfers results in a larger deficit for 2021-22: $9.7 billion or 3.1% of GDP—largely in line with the weighted provincial average. A portion of this fiscal year’s pandemic contingency allocation will be held in reserve, with significant additional buffers in the form of regular program contingencies, a forecast allowance and a conservative growth assumption. So while uncertainty remains elevated, BC has taken pains to insulate its public finances, setting the stage for a better-than-planned result assuming virus containment and a continued recovery. The capital plan has been beefed up with a view to driving jobs/growth. As COVID-related supports wind down and as economy recovers more fully, it’s expected that that deficit will come down to $4.3 billion by 2023-24. There’s no timeline for deficit reduction, at least not yet; that’s to come in Budget 2022. In the meantime, a variety of fiscal guardrails have been outlined, designed to reinforce fiscal discipline (although maintaining existing credit ratings is not formally listed here). The debt burden, which jumped up in 2020-21 from what had been a relatively low level (at least by provincial standards) is seen climbing further in each of the next three fiscal years, reaching 26.9% by 2023-24. As we’ve argued previously, it helps to enter a crisis from a position of strength. Meanwhile, debt should remain quite affordable, annual interest charges averaging just 3½% of revenue over the life of the fiscal plan. BC issued $14.4 billion of new term debt in 2020-21 and has flagged a near-$20 billion gross borrowing requirement for 2021-22 (or roughly $52 billion over the full three-year fiscal plan). Notwithstanding significant prudence, which could allow for a budget beat, this highly rated issuer looks to remain relatively active in debt markets for the next few years. *(full report)*

NBF Economy & Strategy Group

FEDERAL 2021 BUDGET

What a difference two years makes

Highlights:

- 762 days. That's how long we've been required to wait between federal budgets. Needless to say, it's been an eventful (almost unbelievable) two-plus years; a nightmare for some, a lifetime for most. In that time, Canada's Liberal government was demoted to minority status in a fall 2019 election, political controversy has swirled, parliamentary brinkmanship has been on full virtual display and the finance minister has changed (Morneau out, Freeland in). Most tragically of course, the coronavirus pandemic struck early in 2020, cutting our economic and fiscal legs out from under us and causing untold damage to the physical and mental health of Canadians. A steady and largely uninterrupted data stream tells us that, as a nation, we're starting to get back on our feet economically (notwithstanding fresh lockdowns and evident scarring in some sectors). Fiscally, we've been left in much greater suspense, offered little more than a short-term snapshot (July 2020) and fall economic statement (November 2020) since the virus struck.
- Enter today's long-overdue budget. Make no mistake, maximum fiscal repair is not the near-term priority here. Rather, underlying fragilities, lingering virus threats and evident inequality have seen governments the world over opt for fresh supports/protections, and the Government of Canada is no different. Budget 2021 unveils a suite of new measures, pushing the three-year policy response north of $100 billion since the fall update with a noted skew to the earliest stages of recovery. As much as anything then, the budget is about "finishing the fight against COVID-19" (as Freeland puts it). The more politically minded might deem this a pre-election budget, overflowing with new investments that seem to touch any number of stakeholder groups. On top of extensions to income/wage subsidy programs and other shorter-term supports (including needed lifelines for small businesses facing acute challenges), there's a move to make more structural adjustments, committing the feds to major initiatives (e.g., universal childcare, climate-related action, action on inequality, various infrastructure investments, housing reforms) that will outlive COVID-19. Tax fairness features once more, including a digital service tax and a new levy on luxury items (among other items). Marginal fiscal stimulus—here in Canada and increasingly in the U.S.—alongside a still-accommodative monetary policy stance, bolsters confidence in the recovery. The government expects fresh stimulus to add 1½-2%-pts to annual real GDP growth, adding some 700K net new jobs over three years. And that's not counting the massive shot in the arm President Biden has provided down south.
- As for the deficits left in the virus's wake, they're unlike anything most have ever seen. An unprecedented $354 billion budgetary shortfall for 2020-21 (16.1% of GDP) is to give way to a $155 billion deficit in 2021-22 (6.4% of GDP). Consider that progress in a sense, as massive emergency measures are wound down and output recovers important ground. Moreover, the government views its new fiscal trajectory as a net improvement over last fall's economic update (assuming you include the impact of escalated restrictions and planned stimulus), the economy having proven more resilient/the initial stages of recovery more forceful than previously imagined. A more complete fiscal recovery will require considerable patience. Canada's federal government hasn't run a budget surplus since before the Global Financial Crisis in 2007-08 and getting back in the black isn't a stated goal for this government. Fiscal guardrails continue to guide the policy stance, with a clear focus on inclusivity. Meanwhile, the debt-to-GDP ratio—which remains a notional anchor—having shot higher in 2020-21, is set to peak just north of 50% this fiscal year, returning to a downward track thereafter. Then there's the interest bill, which at 6.2% of revenue or less than 1% of GDP remains in a considerably more enviable area code vs. Ottawa's mid-1990s fiscal crisis. Yet again, we're reminded that Canada has a nice advantage vs. our G7 peers when it comes to the general government net debt-to-GDP ratio, providing a degree of comfort one supposes as inflation expectations and interest rates begin to move higher. When it comes to funding itself, a fresh Debt Management Strategy outlines a smaller bond program overall but an increasing skew to the longer end, a pre-existing term out effort remaining in full effect despite today's higher interest rates and steeper curves. Plus, we'll see the sovereign's first ever federal green bond, a bit of financing that jives nicely with this government's environmental ambitions. *(full report)*

NBF ECONOMIC & STRATEGY GROUP

Fixed Income — Forecast update: Stronger growth → more hawkish BoC → earlier hikes

- This special mid-month update outlines our revised thinking on Canada's monetary policy posture in the wake of Wednesday's interest rate decision. Given the BoC's much-improved growth outlook, earlier closure of the output gap and revised forward guidance, it's appropriate to bring forward the first BoC interest rate hike. Quite simply, we had assumed more forceful macroprudential measures to address overheated housing markets, but the tweaks we've seen so far appear unlikely to materially cool things off. Moreover, the front-loaded, max fiscal stimulus effort delivered in this week's federal budget introduces additional upside. Provinces too continue to provide exceptional supports. We believe the Bank's first hike is now most likely to arrive in October 2022, a handful of months after reaching a net neutral QE pace and as we close in on full employment. That's one quarter earlier than our prior forecast. If anything, our bias is asymmetric; that is, a 2022:Q3 hike may be more likely than the Bank waiting until 2023:Q1, although much will depend on the Fed's policy stance. Markets have generally been moving to discount a more aggressive timeline for monetary tightening, 2s underperforming on the curve and Canada drifting wider to the US across the curve.
- Wednesday's rate decision delivered, as expected, a tapering of QE,with the weekly pace moderating from C$4 billion to a net C$3 billion. More surprising was the decision to leave the composition of purchases largely unchanged across the term structure. To us, allocating a larger share of purchases to longer tenors would better align with the amped up term out effort outlined in a fresh Debt Management Strategy. The current misalignment of BoC purchases and GoC issuance could leave Canadian longer-term yields under pressure.
- Respectfully, the Bank's messaging on QE could still be improved/clarified, particularly as it relates to the distinction between gross and net purchases. We'll once more petition strongly for greater transparency and disclosure on key labour market variables, at a minimum adding an unemployment rate forecast to the BoC's main outlook table. This isn't too much to ask, particularly now that the Bank concedes its assessment of slack will be broader in nature and less fixated on the output gap. The communication on core inflation remains muddy; there are too many inflation measures to track. Simplify please.
- Less altered (for now) is our thinking on Fed hikes. Powell and Co. have yet to tee up a taper south of the border. Saying that, a robust recovery and mounting inflation threat will make a strong case for an unwind of monetary accommodation. We'll be looking for hints in that direction as early as June. Some might argue that Biden's super-sized fiscal package, and all the bonds it will breed, forever lock the Fed into QE. We tend to disagree, although clearly the eventual taper will need to be gradual and well communicated (e.g., 3 months notice + 12-15 months to wind down). For now, we've kept our first Fed hike in 2023:Q1. With the Bank thus looking to move a bit ahead of the Fed, and the BoC taper progressing, we've greater conviction in our 1.20 CAD call. We may arrive there earlier than scheduled.

United States

Quarters	Fed Fund	3 Mth Bill	2YR	5YR	10YR	30YR
04/22/21	0.25	0.02	0.15	0.80	1.55	2.24
Q2	0.25	0.05	0.20	0.95	1.70	2.35
Q3	0.25	0.05	0.25	1.10	1.85	2.45
Q4	0.25	0.05	0.30	1.20	2.00	2.55
Q1/22	0.25	0.10	0.40	1.35	2.05	2.65
Q2	0.25	0.10	0.55	1.45	2.15	2.70
Q3	0.25	0.15	0.75	1.55	2.20	2.75
Q4	0.25	0.15	0.95	1.65	2.25	2.80
Q1/23	0.50	0.45	1.15	1.80	2.40	2.85
Q2	0.75	0.70	1.30	1.90	2.50	2.90

Canada

Quarters	Overnight	3 Mth Bill	2YR	5YR	10YR	30YR
04/22/21	0.25	0.09	0.31	0.94	1.51	2.03
Q2	0.25	0.10	0.35	1.05	1.70	2.15
Q3	0.25	0.15	0.45	1.15	1.85	2.25
Q4	0.25	0.15	0.55	1.25	2.00	2.35
Q1/22	0.25	0.20	0.70	1.40	2.10	2.45
Q2	0.25	0.25	0.80	1.50	2.20	2.55
Q3	0.25	0.35	0.95	1.65	2.30	2.60
Q4	0.50	0.60	1.15	1.85	2.40	2.65
Q1/23	0.75	0.80	1.35	1.95	2.45	2.70
Q2	1.00	1.10	1.50	2.05	2.50	2.70

Source: NBF ECONOMIC AND STRATEGY GROUP.

IN THE NEWS

U.S. and Canadian News

Monday April 19th, 2021

- **Canada housing starts soar to highest since at least 1970s**
  Builders started work on an annualized 335,200 units last month, a jump of 22 per cent from February's already elevated levels. That beats economist predictions for a 255,000 increase and was the highest monthly total since at least 1977.
- **Freeland stares down critics as feds go big with $101B stimulus**
  The federal Liberals have tabled their first full fiscal plan of the COVID-19 era, earmarking billions for everything from childcare to business supports to worker benefits. And with the price tag for those additional supports coming in at $101.4 billion over three years. Monday's budget shows a deficit of $354.2 billion for fiscal year that just ended, with another $154.7 billion in deficit spending for 2021-22. That deficit spending will push the country's federal debt-to-GDP ratio to 51 percent this fiscal year.

Tuesday April 20th, 2021

- **Fed will limit any overshoot of inflation target, Powell says**
  The U.S. economy is going to temporarily see "a little higher" inflation this year as the recovery strengthens and supply constraints push up prices in some sectors, but the Federal Reserve is committed to limiting any overshoot, Fed Chair Jerome Powell said in an April 8 letter to Senator Rick Scott.
- **Canadian home prices on fire and policymakers using 'squirt gun'**
  The Teranet-National Bank Composite House Price Index showed home price gains accelerated 1.5% in March from February. The index was up 10.8% on the year, with a record 81% of the broader 32 markets surveyed posting annual gains above 10%. That far exceeds the last peak in 2017.
- **Canadian National launches battle for Kansas City rail with $30 bln-plus bid**
  Canadian National said it had offered to buy Kansas City Southern railroad for about $30 billion, sending shares in the U.S. company soaring on expectations of a bidding war with Canadian Pacific.

Wednesday April 21st, 2021

- **Bank of Canada signals rate hike in 2022, tapers bond purchases**
  The central bank said it now expects economic slack to be absorbed in the second half of 2022, from a previous forecast of into 2023. It held its key overnight rate steady at 0.25%. Canada's economy is expected to grow 6.5% in 2021, up from a forecast of 4.0% in January, the central bank said in its spring Monetary Policy Report. The Bank of Canada cut its weekly net purchases of Canadian government bonds to a target of $3 billion from C$4 billion.
- **Canadian annual inflation rate doubles as central bank sees faster growth**
  Canada's annual inflation rate doubled to 2.2% in March, Statistics Canada said as the central bank signaled economic slack would likely be absorbed earlier than it had previously forecast. Analysts had expected the annual rate to rise to 2.3% in March, up from 1.1% in February.
- **Yellen lays out 'bold' climate agenda for U.S. economy, markets**
  U.S. Treasury Secretary Janet Yellen on Wednesday pledged to aggressively tackle climate change using all the tools at her disposal, warning that a failure to do so effectively and promptly could undermine economic growth.

Thursday April 22nd, 2021

- **Biden to propose hike in capital gains taxes to pay for more child care**
  Biden will propose raising the marginal income tax rate to 39.6% from 37%, and nearly doubling taxes on capital gains to 39.6% for people earning more than $1 million, according to the sources.
- **Republicans unveil $568 billion infrastructure package to counter Biden's $2.3 trillion plan**
  The proposal, which falls below an initial Republican target range of $600 billion to $800 billion, focuses narrowly on traditional infrastructure projects including roads, bridges, rail, ports, water systems and on broadband access. It would not result in higher taxes but be fully paid for through user fees and unspent federal funds.
- **U.S. weekly jobless claims decline further**
  Initial claims for state unemployment benefits totaled a seasonally adjusted 547,000 for the week ended April 17 compared to 586,000 in the prior week. Economists had forecast 617,000 applications in the latest week.
- **Trudeau pledges to cut emissions by 40 to 45 per cent by 2030**
  The cut applies to 2005 emission levels. The new target is higher than the 36 per cent reduction the government says it can achieve under existing measures by 2030, and the 30 per cent goal Canada initially agreed to under the Paris Agreement.

Friday April 23rd, 2021

- **U.S. manufacturing, new homes sales underscore booming economy**
  Data firm IHS Markit said its flash U.S. manufacturing PMI increased to 60.6 in the first half of this month. That was the highest reading since the series started in May 2007 and followed 59.1 in March. Economists had forecast the index rising to 60.5 in early April. A report from the Commerce Department showed new single-family home sales surged 20.7% to a seasonally adjusted annual rate of 1.021 million units last month, the highest since August 2006. The sales pace blew past economists' expectations for 886,000 units.

Click on title to view the full story.

IN THE NEWS

International News

Monday April 19th, 2021

- **Japan's exports post largest monthly gain since late 2017**
  Exports surged 16.1% in March from a year earlier, marking the steepest rise since November 2017. That was better than an 11.6% jump expected by economists, and followed a 4.5% contraction in February.
- **ABN Amro to settle money laundering probe for $574 mln**
  Dutch bank ABN Amro said it had reached a 480-million-euro settlement with prosecutors in the Netherlands over money laundering allegations, which will impact its first-quarter results.
- **Chinese watchdog keeps eye on foreign investment in stock markets**
  Chinese regulators are closely monitoring flows of foreign capital in and out of the country, government officials said on Monday, as overseas interest in Chinese equities grows.
- **Mexican economy extends contraction in March but rebound likely**
  Mexico's economy extended its losing streak in March, shrinking by more than 2%, while analysts expect a rebound in subsequent months as the pandemic subsides and the spillover effects of economic stimulus in top trade partner the United States.

Tuesday April 20th, 2021

- **UK unemployment falls again under government's jobs shield**
  Britain's unemployment rate unexpectedly fell for a second month in a row to 4.9% in the December-to-February period, most of which the country spent under a tight COVID-19 lockdown.
- **China leaves lending benchmark rate steady for 12th straight month**
  China kept its benchmark lending rate for corporate and household loans steady for the 12th straight month at its April fixing, matching market expectations. The one-year loan prime rate (LPR) was kept at 3.85%. The five-year LPR remained at 4.65%.
- **Indonesia c.bank keeps rates at record lows as it trims 2021 GDP outlook**
  Bank Indonesia (BI) left the benchmark 7-day reverse repurchase rate at 3.50%, where it has been since February and as expected by analysts. BI's forecast for economic growth this year was trimmed to 4.1%-5.1% from 4.3%-5.3% previously.

Wednesday April 21st, 2021

- **S&P affirms Japan's ratings on prospects of recovery from COVID hit**
  Rating agency S&P affirmed Japan's A+/A-1 sovereign debt ratings, citing its rich current account surplus and an expected gradual economic recovery from the COVID-19 pandemic.
- **Sterling holds ground as UK inflation ticks higher**
  Consumer price inflation rose to 0.7% in March after dipping to just 0.4% in February, as global oil prices rose and retailers scaled back their COVID-driven discounts.
- **Australia retail sales jump in March**
  Sales rose 1.4% in March, from February, outpacing market forecasts for a 1% gain, preliminary data from the Australian Bureau of Statistics (ABS) showed. Sales of A$30.72 billion were still up a hefty 2.3% on March last year, just when the COVID-19 pandemic hit.

Thursday April 22nd, 2021

- **ECB keeps policy on hold ahead of June showdown**
  The European Central Bank left its ultra-easy policy unchanged as expected, providing the pandemic-stricken currency bloc with record stimulus even as an accelerating vaccination campaign raises hopes for a rebound.
- **UK factories expect strongest rebound since 1973 after COVID-19**
  The CBI said its quarterly business optimism gauge, based on a survey of 288 manufacturers between March 24 and April 14, jumped to +38, the highest since April 1973, from January's reading of -22.
- **Euro zone debt surges in 2020 on pandemic spending**
  Eurostat said aggregated government debt in the 19 countries sharing the euro jumped by 1.24 trillion euros to 11.1 trillion or 98% of its gross domestic product last year from 83.9% in 2019 as the deficit went to 7.2% of GDP from 0.6%.
- **Japan raises business spending view, sees weakness in economy**
  Among its key economic elements, the government improved its view on capital expenditure, after also raising it in January and February, saying it has been picking up, reflecting a more optimistic outlook on corporate spending.

Friday April 23rd, 2021

- **Euro zone economic recovery accelerates in April as services bounce back - PMI**
  IHS Markit's flash Composite Purchasing Managers' Index rose to a nine month high of 53.7 from March's 53.2, confounding expectations in a Reuters poll for a dip to 52.8.
- **Lifting lockdown brings surge of activity for UK companies - PMI**
  The preliminary "flash" reading of the UK Composite Purchasing Managers' Index (PMI) rose to 60.0 in April from 56.4 in March, its highest reading since November 2013. Economists had pointed to a smaller rise to 58.2.
- **Japan's factory activity improves in April but more virus measures loom**
  The au Jibun Bank Flash Japan Manufacturing Purchasing Managers' Index (PMI) rose to a seasonally adjusted 53.3 in April from a final 52.7 in March. Flash Services PMI index was unchanged from the previous month's final reading, coming in at 48.3.

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WEEKLY PERFORMERS – S&P/TSX

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
goeasy Ltd	$149.55	$22.17	17.40%
Lundin Mining Corp	$15.87	$2.03	14.67%
Teck Resources Ltd	$27.81	$2.99	12.05%
Ivanhoe Mines Ltd	$8.56	$0.86	11.17%
Dundee Precious Metals Inc	$9.34	$0.81	9.50%
Osisko Mining Inc	$3.29	$0.26	8.58%
B2Gold Corp	$6.38	$0.45	7.59%
Spin Master Corp	$40.10	$2.60	6.93%
Ero Copper Corp	$24.11	$1.54	6.82%
Magna International Inc	$119.40	$7.40	6.61%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
OrganiGram Holdings Inc	$3.14	-$0.68	-17.80%
Aphria Inc	$17.69	-$2.67	-13.11%
Village Farms International Inc	$14.13	-$1.89	-11.80%
Aurora Cannabis Inc	$9.84	-$1.31	-11.75%
GFL Environmental Inc	$41.33	-$4.26	-9.34%
Denison Mines Corp	$1.32	-$0.13	-8.97%
Ballard Power Systems Inc	$26.84	-$2.38	-8.15%
Lightspeed POS Inc	$83.69	-$6.84	-7.56%
Nexgen Energy Ltd	$4.60	-$0.37	-7.44%
Air Canada	$24.86	-$1.98	-7.38%

Source: Refinitiv

WEEKLY PERFORMERS – S&P500

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Laurentian Bank of Canada	$43.14	$2.97	7.39%
Summit Industrial Income REIT	$16.09	$1.00	6.63%
Westport Fuel Systems Inc	$8.59	$0.47	5.79%
Aurora Cannabis Inc	$10.40	$0.56	5.69%
Mullen Group Ltd	$13.29	$0.64	5.06%
Labrador Iron Ore Royalty Corp	$40.33	$1.91	4.97%
OceanaGold Corp	$2.27	$0.10	4.61%
OrganiGram Holdings Inc	$3.28	$0.14	4.46%
Canaccord Genuity Group Inc	$12.29	$0.52	4.42%
Element Fleet Management Corp	$14.61	$0.61	4.36%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Turquoise Hill Resources Ltd	$21.54	-$2.55	-10.59%
Sunopta Inc	$16.59	-$1.90	-10.28%
Prairiesky Royalty Ltd	$12.58	-$1.34	-9.63%
Shopify Inc	$1,373.73	-$136.61	-9.04%
West Fraser Timber Co Ltd	$96.87	-$9.55	-8.97%
Whitecap Resources Inc	$5.33	-$0.52	-8.89%
Canadian National Railway Co	$135.85	-$12.82	-8.62%
Trillium Therapeutics Inc	$11.50	-$0.98	-7.85%
Denison Mines Corp	$1.22	-$0.10	-7.58%
Hudbay Minerals Inc	$9.17	-$0.71	-7.19%

Source: Refinitiv

NBF RATINGS & TARGET PRICE CHANGES

Company	Symbol	Current Rating	Previous Rating	Current Target	Previous Target
ABC Technologies Holdings Inc.	ABCT	Sector Perform	Sector Perform	**C$10.00**	**C$11.50**
Agnico Eagle Mines Ltd.	AEM	Outperform	Outperform	**C$97.00**	**C$98.00**
Automotive Properties Real Estate Investment T	APR.un	Outperform	Outperform	**C$12.50**	**C$12.00**
Aya Gold & Silver Inc.	AYA	Outperform	Outperform	**C$9.00**	**C$7.25**
CAE Inc.	CAE	**Outperform**	**Sector Perform**	**C$43.00**	**C$41.00**
Canadian Apartment Properties REIT	CAR.un	Outperform	Outperform	**C$65.00**	**C$62.00**
Canadian National Railway	CNR	Sector Perform	Sector Perform	**C$143.00**	**C$147.00**
Canadian Pacific Railway	CP	Outperform	Outperform	**C$511.00**	**C$515.00**
CanWel Building Materials Group	CWX	**Restricted**		**Restricted**	
Cascades Inc.	CAS	Outperform	Outperform	**C$20.50**	**C$22.50**
Centerra Gold Inc.	CG	Outperform	Outperform	**C$18.50**	**C$17.50**
Choice Properties Real Estate Investment Trust	CHP.un	Sector Perform	Sector Perform	**C$14.50**	**C$13.50**
CRH Medical Corporation	CRH		**Tender**		**C$5.10**
Crombie REIT	CRR.un	Outperform	Outperform	**C$17.00**	**C$16.50**
Dialogue Health Technologies Inc.	CARE	**Outperform**		**C$20.50**	
Dundee Precious Metals Inc.	DPM	Outperform	Outperform	**C$12.50**	**C$12.25**
Eldorado Gold Corp.	ELD	Outperform	Outperform	**C$18.00**	**C$19.00**
Equinox Gold Corp.	EQX	Outperform	Outperform	**C$15.25**	**C$15.50**
European Residential Real Estate Investment Tr	ERE.un	Outperform	Outperform	**C$5.25**	**C$5.35**
Extendicare Inc.	EXE	Sector Perform	Sector Perform	**C$8.00**	**C$7.00**
Finning International Inc.	FTT	Outperform	Outperform	**C$43.00**	**C$37.00**
First Capital REIT	FCR.un	Sector Perform	Sector Perform	**C$18.50**	**C$16.50**
Fortuna Silver Mines Inc.	FVI	Sector Perform	Sector Perform	**C$12.50**	**C$10.75**
Franco-Nevada Corporation	FNV	Sector Perform	Sector Perform	**C$190.00**	**C$185.00**
goeasy Ltd.	GSY	**Outperform**	**Restricted**	**C$156.00**	**Restricted**
IBI Group Inc.	IBG	Outperform	Outperform	**C$14.00**	**C$12.50**
InterRent REIT	IIP.un	Outperform	Outperform	**C$17.00**	**C$16.00**
Invesque Inc.	IVQ.u	Sector Perform	Sector Perform	**US$3.00**	**US$2.75**
Josemaria Resources Inc.	JOSE	**Sector Perform**	**Restricted**	**C$1.30**	**Restricted**
Killam Apartment REIT	KMP.UN	Outperform	Outperform	**C$22.00**	**C$21.00**
Kinross Gold Corp	K	Outperform	Outperform	**C$14.00**	**C$13.75**
Kirkland Lake Gold Ltd.	KL	Sector Perform	Sector Perform	**C$52.00**	**C$51.00**
Laurentian Bank	LB	**Sector Perform**	**Underperform**	**C$40.00**	**C$34.00**
Marathon Gold Corporation	MOZ	Outperform	Outperform	**C$3.50**	**C$3.25**
Maverix Metals Inc	MMX	Sector Perform	Sector Perform	**C$7.75**	**C$7.50**
Metro Inc.	MRU	Sector Perform	Sector Perform	**C$65.00**	**C$64.00**
Minto Apartment REIT	MI.UN	Sector Perform	Sector Perform	**C$23.00**	**C$22.00**
Mullen Group Ltd.	MTL	Outperform	Outperform	**C$15.25**	**C$14.50**
New Gold Inc.	NGD	Outperform	Outperform	**C$3.00**	**C$3.25**
Newmont Corporation	NGT	Outperform	Outperform	**C$101.00**	**C$102.00**
Northland Power Inc.	NPI	**Outperform**	**Restricted**	**C$52.00**	**Restricted**
OceanaGold Corporation	OGC	Outperform	Outperform	**C$3.00**	**C$3.25**
RioCan Real Estate Investment Trust	REI.UN	Outperform	Outperform	**C$22.00**	**C$21.00**
Ritchie Bros. Auctioneers Incorporated	RBA	Outperform	Outperform	**US$66.00**	**US$59.00**
Rogers Communications Inc.	RCI.B	Outperform	Outperform	**C$75.00**	**C$74.00**
Sienna Senior Living Inc.	SIA	Outperform	Outperform	**C$16.00**	**C$15.00**
SilverCrest Metals Inc.	SIL	Outperform	Outperform	**C$14.50**	**C$14.00**
SmartCentres REIT	SRU.un	Sector Perform	Sector Perform	**C$29.00**	**C$27.00**

Company	Symbol	Current Rating	Previous Rating	Current Target	Previous Target
SNC-Lavalin Group Inc.	SNC	Outperform	Outperform	**C$36.00**	**C$33.50**
Stantec Inc.	STN	Outperform	Outperform	**C$60.00**	**C$56.00**
Stelco Holdings Inc.	STLC	**Outperform**	**Sector Perform**	**C$36.00**	**C$26.50**
Stella-Jones Inc.	SJ	Sector Perform	Sector Perform	**C$57.00**	**C$51.50**
Summit Industrial Income REIT	SMU.un	Outperform	Outperform	**C$17.00**	**C$16.00**
Toromont Industries Ltd.	TIH	Outperform	Outperform	**C$107.00**	**C$98.00**
Wesdome Gold Mines Ltd.	WDO	Outperform	Outperform	**C$12.50**	**C$12.00**
WPT Industrial REIT	WIR.U	Outperform	Outperform	**US$18.50**	**US$17.50**
WSP Global Inc.	WSP	Outperform	Outperform	**C$143.00**	**C$133.00**
Yamana Gold Inc.	YRI	Sector Perform	Sector Perform	**C$7.25**	**C$7.00**

STRATEGIC LIST - WEEKLY UPDATE

(April 10th – April 23rd)

No Changes this Week:

Comments:

Communication Services (Market Weight)

Quebecor Inc. (QBR.b)

NBF: 1Q Quarterly Preview: NBF is looking for Revenues of $1084M, EBITDA $453.5M, Adj. EPS $0.50 & FCF $110M. Consensus sits very close at $1083M, $452M, $0.49 & $100M. TVA will report a few days earlier. Given the greater number of NHL games showcased in 1Q21, TVA Sports likely saw a boost in advertising which helped Media's top line, while EBITDA will have been impacted by added sports programming. Quebecor repurchased roughly 2.65M shares at an average of $31.87. While CRTC recently sided with VDO over Bell in a dispute over access to telephone poles, it opened the door on 4/15/21 to facilities-based MVNO competition in areas where Tier 4 or higher spectrum licenses are held by regional carriers. Heading into 3500 MHz auction starting 6/15/21, we'll see if VDO bids on set-aside spectrum not just in QC but also in ON, AB & BC. NBF maintained Outperform and target of $40.00 which has upside. NBF target is based on its 2022E NAV (2023E at $43), with implied EV/EBITDA multiples of 7.6x 2021E & 7.1x 2022E. The stock's up 7% since the Rogers/Shaw news, but NBF believes FMV is moving toward a level closer to $39-$40.

Rogers Communications Inc. (RCI.b)

NBF: 1Q results: Revenues were $3488M (CE $3343M) & EBITDA $1391M (CE $1333M) with each segment delivering top line (Wireless service revenues were in line as Equipment beat accounted for 2/3 of total revenues outperformance) & profit upside. Rogers hadn't seen Revenues gains since 4Q19 and, in absence of 2021 outlook, had signaled a more muted 1Q. COVID hit 1Q -$110M in revs & -$70M in EBITDA. In wireless, postpaid adds beat, service margin +3 pts. Unlimited hit 2.6M subs (+60% y/y), with Postpaid adds +44K (CE -3K) & churn -5 bps to 0.88%, Prepaid -56K. ABPU -4.6% & ARPU -7.1%. Revenues -0.1% (Service -6.0%, Equipment +27.4%) with EBITDA -1.3%. In cable, Revenues +4.8% & EBITDA +7.5% (margin +119 bps). Internet +14K vs. +17K, Ignite TV +58K vs. +91K & customer relationships +6K. NBF Maintained its Outperform rating and raised its target price by $1 to $75. Target's based on average of 2021E DCF ($78) & PF2022E NAV ($72 ahead of multiple expansion). As NBF watches for COVID pressures to ease, other costs will return as the economy opens but fans are still unlikely at Jays games.

Industrials (Market Weight)

Morneau Shepell Inc. (MSI)

NBF: The Canadian government released it's 2021 Budget, allocating >$257 million towards supporting mental health initiatives. Overall, NBF sees potential for MSI to win contracts, particularly given successful launches of iCBT with Manitoba and Ontario. NBF $38.00 price target implies a target valuation multiple of ~13.5x EV/EBITDA (both unchanged). The government set out to introduce a clear set of national mental health standards so "Canadians can access timely care, treatment, and support".

Toromont Industries Ltd. (TIH)

NBF: Q1 preview: Street is forecasting a 3% topline expansion for the quarter; this is achievable given robust ON /QC markets, strong gold / iron ore pricing, infra stimulus, in addition to a growing rentals business. NBF will also be looking for outlook re. capital allocation as balance sheet is in a great shape (close to a net cash position as of Q4/20) and historically management has demonstrated strong stewardship of capital. NBF increased valuation multiples on P/E by 2.0x for TIH to 24x, resulting in a higher target price of $107.00 (from $98.00).

WSP Global Inc.

NBF: Q1 preview: Street consensus impounds slightly negative organic growth (inline with management messaging); hence NBF is largely anticipating a "no-surprise" quarterly print. Bigger focus revolves around Golder integration and incremental capital deployment plans over the next 18 months. NBF will also try to understand WSP's direct TAM from Biden's infrastructure bill and the latter's impact on co's prospective organic growth profile. NBF increased valuation multiples by 1.0x on EV/EBITDA to 15.5X resulting in a higher target price of $143.00 (from $133.00).

Information Technology (Underweight)

Kinaxis Inc. (KXS)

NBF: Kinaxis reports CYQ1 results on May 4th. NBF is forecasting revenue of US$57 million and EPS of US$0.09 compared to consensus forecast of US$57M and US$0.11 respectively. KXS continues to be one of NBF's favorite names for multiple reasons, especially given the recent pullback in the stock. While COVID has caused short-term headwinds, it has also underscored the importance of robust supply chain systems / processes that enable enterprises to plan and respond to / for disruptions. In NBF's view, that's led to an outsized pipeline of opportunity for Kinaxis. That said, NBF acknowledges the extended bookings cycle creates a lag, given how revenue is recognized, and that the impact of a pickup in bookings won't likely show in the results until later this year or 2022. To NBF, that lull presents the opportunity in the stock. NBF is expecting a largely in-line quarter (to both NBF and consensus expectations) as NBF believes rolling global lockdowns in Q1 likely continued to affect deployments. That said, strong bookings care of faster conversion of the pipeline (which was up 40% Y/Y in F20), could provide a lift in the stock given the recent weakness. NBF views Kinaxis as a prudent allocator of capital. In the past, the Company has generally deployed capital ahead of growth, and NBF believes the most recent investment cycle is no different. Management has indicated it plans to continue investing in data centers and customer support in order to meet the strong demand they see coming through the pipeline. All in, NBF expects outsized investments will result in a proportional step function in growth. NBF continues to believe KXS's valuation does not fully value a "normalized" financial run rate looking ahead, particularly given what we estimate to be a market share of less than 5%. With its expectations for accelerating momentum beyond the current pandemic, NBF reiterated its Outperform rating and $225.00 target based on DCF, which implies EV/Sales of 19.3x on F2021 estimates (unchanged).

Open Text Corp. (OTEX)

NBF: Open Text reports CY1Q results on May 6th. NBF is forecasting revenue of US$803 million and EPS of US$0.72, compared to consensus forecast of US$813 million and US$0.69 respectively. NBF is of the view that OpenText's solutions are an essential part of its customers' software stack; as such, it believes the Company will be able to preserve a strong relative cash flow profile which provides the foundation to continue execution on its acquisition growth strategy. In NBF's view, we have seen a successful integration and deleveraging post Carbonite, and with that successful transaction behind the Company, NBF expects the pace of acquisitions will pick up going into calendar 2021. For FQ3 (March), NBF is expecting low single digit Y/Y growth for both Cloud Services and customer support revenue, offset by a ~40% Y/Y decline in License revenue as OpenText continues to transition customers to the cloud. That revenue shift will increase OpenText's recurring revenue base to 85% of total revenue in the quarter, up 500 bps Q/Q. With ~80% of revenue recurring and more than $900 mln in CFO in F20, NBF believes OpenText carries some strong defensive attributes. More importantly, given this name remains largely an acquisition growth story, the ability to drive operating leverage is paramount to the underlying value creation, which NBF believes is disconnected from the fundamentals. Beyond acquisitions, NBF continues to believe there's an inexpensive option on organic growth, particularly given increasing Cloud offerings. OTEX remains one of NBF's favorite "legacy" names. While the market's appetite for tech stocks has shifted to the organic growth stories, NBF continues to see strong relative value with compelling defensive attributes in OTEX. Going forward, NBF sees a growing base of recurring revenue through acquisitions, expanding operating leverage and optionality from organic growth that's not fully priced into the stock. NBF maintained its Outperform rating with a price target of US$60.00, which implies EV/Sales of 5.6x and EV/EBITDA of 14.6x on FY21E (unchanged).

Materials (Overweight)

Precious Metals

NBF: 1Q21 is expected to show a slow start to the year, with many companies guiding for a back-half weighted year. Thus, NBF expects Q1 to showcase relatively low FCF, and higher unit costs vs. full-year guidance ranges. For most companies under coverage, this general trend has been well communicated and thus should not prove to be a surprise in NBF's view. 2021 guidance generally calls for a back-half weighted year on both production and FCF, as capital spending budgets for 2020 were delayed due to COVID, which in many cases is calling for a catch-up spend in 1H21. Additionally, better grades are generally expected in 2H21 as work to catch up on mine plans is the story for 1H21. With the rise of a global third wave of COVID-19 infections, NBF is interested to hear if these rising cases are putting any guidance estimates at risk. With respect to earnings results, NBF sees a moderately negative headwind from concentrate provisional pricing as gold finished (March 31st vs. Dec. 31st close prices) down 10% and silver down 7.5%, with a positive offset from base metals, with copper up 13%, zinc up 3% and lead ~unchanged. Target prices for NBF's coverage universe remained generally unchanged or moved by less than 10%.

The Week at a Glance

Agnico-Eagle Mines Ltd. (AEM)

NBF: Agnico Eagle reports Q1/21 results after the market close on April 29th. NBF is calling for US$0.57 of Adj EPS vs consensus at US$0.59, CFPS of US$1.53 vs the street at US$1.40. Q1 production estimated at 504k oz, ~flat QoQ (with 13.6koz from Hope Bay), with expectations for a back-half weighted year (48% 1H/52% 2H). NBF will look for updates on the Kittila expansion, integration of Hope Bay and further details on the Malartic Underground JV project. NBF maintained its Outperform rating on AEM and lowered its target price to C$97.00 from C$98.00.

SSR Mining Inc. (SSRM)

NBF: SSR Mining reports Q1/21 results before market open on May 6th. NBF expects SSR to report Adj. EPS of US$0.42 for the quarter, ahead of consensus at US$0.39. NBF has strong conviction in SSR beating consensus Adj. EPS estimates. NBF forecasts Q1 CFPS of US$1.53 vs the street at US$1.40. NBF is looking for SSR Mining to produce 162.8 koz of gold (183.8 kGEOs on a consolidated basis) at AISC of US$1,222/oz. NBF has production at 1.6 mln oz silver, just shy of 25% of the 2021 guidance. NBF is expecting a ~-$0.01 impact from provisional pricing on Puna sales. To get its Q1 EPS estimate in line with the street, NBF would need to reduce its gold production estimate by over 3,000 oz. SSR Mining also had a Q4 gold inventory build of about 10koz (191.9 koz produced vs. 182.3 koz sold), which NBF does not have reversing in its base case Adj EPS estimate of US$0.42. NBF would also note its Q1 Adj EPS estimate assumes opex is up 1% Q/Q despite guidance calling for an improvement in total cash costs Y/Y. NBF continues to view SSR Mining as a Top Pick and believes where the company is trading today provides a very attractive entry point for investors. SSR Mining currently trades at a discount to Intermediate peers on a P/NAV basis, despite having historically traded at a premium. NBF believes SSR is deserving of a premium to peers again due to (i) a coverage-leading FCF yield sourced from a relatively low political risk asset mix, (ii) unmatched exploration upside potential, and (iii) strong management reputation with respect to achieving guidance and being prudent allocators of capital. NBF maintained its Outperform rating and $34.00 target price.

Base Metals

Despite Q1/21 copper prices averaging US$3.86/lb (+18% Q/Q), NBF models average EBITDA growth of ~6% Q/Q throughout NBF's coverage universe (after adjusting for Q4/20 results impacted by downtime/non-recurring operational issues). Q1 operational results are typically impacted by the rainy season in Brazil/Zambia, winter weather conditions in BC and are compared to the generally strong Q4 performance for most operations. NBF will also be paying close attention to any signs of inflationary pressures on operating costs/development projects given recent commodity price appreciation and USD weakness. While Q1 copper prices averaged +9% from provisionally priced material at year-end, NBF expects some variability in reported adjustments given settlements typically occur earlier in the quarter (copper prices from January to mid-February only averaged +3% from year-end). While still expected to provide a revenue boost to major concentrate producers, NBF's adjustments are likely to be more conservative than Consensus. Those set to benefit include: CS (5% of revenue), CMMC (5%), LUN (4%), ERO (4%) and TECK/B (4%).

Teck Resources Ltd. (TECK.b)

NBF: Teck Resources reports Q1/21 results before the market open on April 28th. NBF forecasts Q1/21 EBITDA/Adj EPS/ CFPS of $880M/$0.57/$1.36 materially below consensus estimates of $995M/$0.63/$1.09 respectively. NBF models coal sales of 6.1 mln t compared Q1/21 sales guidance of 5.9 - 6.3 mln t as well as ~20% of 2021 sales at Chinese premium prices (increasing throughout the year) in-line with Teck guidance. NBF has incorporated provisional pricing adjustments of ~$88 mln in the quarter. Construction progress at QB2 and Neptune terminals (where expect completion in Q2/21) are anticipated alongside Q1/21 results. NBF maintained its Outperform rating and $30.00 target price.

Real Estate (Underweight)

NBF: While government supports have kept tenants in business throughout the pandemic, successive lockdowns in regions like Ontario and Quebec are impeding activity; consequently, NBF remains concerned that there is a brittleness to tenants' financials and operations that could have an impact on tenant viability as subsidy programs wind down. NBF reminds investors that facts are changing quickly, so NBF sees itself as having below average earnings visibility through H1/21, and are favoring defensive residential asset classes over commercial ones for now.

Multi-Family: NBF's outlook has not changed much with regards to the medium-term prospects for multifamily REITs, although as lockdowns persist the normalization of de-urbanization and remote working could impact those with city-centric portfolios. NBF expect near-term lockdowns will weigh on operations in H1/21 and we could see some sequential weakness with more pronounced y/y declines (remember that momentum carried this segment pretty much unscathed through Q2/20). Weaker prior year comps will change optics to some extent in the second half of this year. NBF modestly increased its targets across most Canadian apartment names in light of its optimistic outlook on the space and a levelling out in bond yields. NBF's target multiples assume further, albeit modest, expansion (to 23x on average) for most of its names, in anticipation of a continued supportive interest rate environment, a lack of affordable housing supply and a resumption in demand drivers will start to ramp later in the summer and continue through to 2022 driving outsized rent growth.

Retail: NBF expects earnings volatility will remain for now while collections remain in the low/ mid-90% range due to the earnings provisions required. NBF does not expect that collections have been helped much by lockdowns. Slow vaccination progress and continued lockdowns also make it tougher to build consistent operating momentum, but NBF thinks we are starting to see some light at the end of the tunnel, and grocery-anchored retail, which accounts for a lot of the retail space among the publicly traded retailers, has remained a favoured asset class with institutions through the pandemic. NBF believes that visibility into tenant health will not improve until midyear, and as a result continues to favour the retailer-controlled REITs that have lower debt and higher collection rates. NBF is raising target prices by an average of +6% across the group to reflect less excessive discounts to generally increased NAV estimates (average increase of 8%). While the path to an improved post-pandemic retail environment is neither a straight line nor free of obstacles, NBF expects continued vaccinations and a slow return to pre-pandemic normalcy to drive these unit prices upward over time.

Canadian Apartment Properties REIT (CAR.un)

NBF: CAP REIT reports Q1/21 results on May 13th. NBF is forecasting Q1 FFO per unit of $0.57 in line with consensus. CAP remains NBF's preferred proxy for investors looking to capitalize on improving investor sentiment in the multi-family space. A slower vaccine rollout will dampen H1 results, but lack of affordable supply and higher immigration combined with the return of foreign and domestic students to campus should be catalysts for long-term growth. Moreover, CAP has built significant scale in some of Canada's most in-demand rental markets but has a more suburban footprint and larger unit sizes providing some insulation in the case that de-urbanization trends are stickier than expected. CAR took advantage of the low rate environment to de-risk its balance sheet and should also benefit from having built scale in markets that are becoming increasingly expensive and prohibitively so for new entrants. In NBF's view, this justifies the highest level of multiple expansion (~3x). NBF lowered its FY2021e/ FY2022e FFO/unit to $2.38 /$2.49 from $2.39/$2.51 previously. NBF modestly lowered its FY2021e/ FY2022e AFFO/unit to $1.93/$2.04 from $1.94/$2.05. NBF maintained its NAVPSe at $56.60 NBF maintained its Outperform rating on CAP and raised its target price to C$65.00 from C$62.00.

RioCan REIT (REI.un)

NBF: REI reports Q1/21 results on May 4th. NBF is forecasting Q1 FFO per unit of $0.37, in line with consensus. NBF maintained its FY2021e/FY2022e FFO/unit at $1.52/$1.58 and lowered its FY2021e/FY2022e AFFO/unit to $1.37/$1.41 from $1.40/$1.44 previously. NBF raised its NAVPS estimate to $24.60 from $22.50 NBF maintained its Outperform rating on REI and raised its target price to C$22.00 from C$21.00.

Utilities (Underweight)

Capital Power Corp. (CPX)

NBF: Capital Power announced it has entered into a Virtual Power Purchase Agreement (VPPA) with Budweiser Canada for 51% of the electricity generated from its 75 MW Enchant Solar project in Taber, Alberta (online Q4/22), supporting Budweiser's sustainability initiatives, including a commitment to crafting its beer with 100% renewable electricity. Recall Capital Power previously sanctioned the $90-$100 mln solar project alongside its 2020 Investor Day as a merchant facility with the expectation of a portion of its generation to be sold under renewable offtake contracts, while generating carbon credits to hedge against its Alberta thermal carbon compliance costs. No stranger to developing and operating renewable generation (40% of 2022e EBITDA), Capital Power continues to progress towards its own goal of carbon neutrality by 2050, supported by seven renewable projects under development representing 425 MW for ~$665 mln, adding ~$70 mln of annual EBITDA upon completion through 2022. Meanwhile, evident by the long-term corporate offtake agreement announced today, NBF expects increased appetite from public companies recently establishing their own scope 2 emission reduction targets to support Capital Power's discussions for contracting its remaining merchant portfolio in Alberta (Whitla 2 & 3). Combined with a capital commitment target of $500 mln per year towards renewable developments and mid-life U.S. natural gas acquisitions and continued demand for renewable corporate offtake agreements, NBF notes demand pull support for the sanctioning of potential renewable opportunities within company's resilient pipeline, including eight solar sites (360 MW) and nine wind farms (1,129 MW). Overall, with the renewable offtake agreement representing the largest public renewable electricity commitment ever made by a Canadian brewer, NBF views the deal as validating Capital Power's strategy of collaborating across industries to support economic decarbonization. Meanwhile, with an additional 151 MW of renewable generation in Alberta planned for commercialization by the end of 2021 through its Whitla 2 & 3 wind facilities, NBF expects similar type demand from corporates seeking to meet their own sustainability goals, supporting incremental long-term contracts for renewable generation and maintaining a greater than two-thirds contracted EBITDA profile. NBF maintained its Outperform rating and $44.00 target price.

NBF STRATEGIC LIST

Company	Symbol	Addition Date	Addition Price	Last Price	Yield (%)	Beta	% SPTSX	NBF Sector Weight
Communication Services							**4.9**	**Market Weight**
Quebecor Inc.	QBRb.TO	29-Nov-18	$ 28.70	$ 35.60	3.1	0.5		
Rogers Communications Inc.	RCIb.TO	13-Feb-20	$ 65.84	$ 61.07	3.2	0.5		
Consumer Discretionary							**4.0**	**Market Weight**
Canadian Tire Corp.	CTCa.TO	04-Oct-18	$ 151.25	$ 201.21	2.4	1.3		
Dollarama Inc.	DOL.TO	19-Mar-20	$ 38.96	$ 57.75	0.3	0.6		
Consumer Staples							**3.6**	**Market Weight**
Alimentation Couche-Tard Inc.	ATDb.TO	26-Jan-17	$ 30.09	$ 41.64	0.8	0.7		
Loblaw Companies Ltd.	L.TO	25-Mar-21	$ 68.50	$ 69.30	1.9	0.3		
Energy							**12.2**	**Market Weight**
Cenovus Energy Inc.	CVE.TO	16-Jan-20	$ 12.26	$ 9.35	0.8	2.5		
Enbridge Inc.	ENB.TO	21-Jan-15	$ 59.87	$ 46.26	7.2	0.9		
Tourmaline Oil Corp.	TOU.TO	13-Aug-20	$ 16.68	$ 24.12	2.7	1.4		
Financials							**31.1**	**Overweight**
Bank of Montreal	BMO.TO	25-Mar-21	$ 112.23	$ 116.01	3.7	1.1		
Element Fleet Management Corp	EFN.TO	02-Apr-20	$ 8.58	$ 14.61	1.8	1.3		
Fairfax Financial Holdings Ltd.	FFH.TO	20-Dec-18	$ 585.81	$ 572.39	2.3	0.9		
Intact Financial Corp.	IFC.TO	11-Jun-20	$ 130.04	$ 163.51	2.0	0.8		
Royal Bank of Canada	RY.TO	19-Jun-13	$ 60.69	$ 116.56	3.7	0.9		
Sun Life Financial	SLF.TO	10-Dec-20	$ 57.07	$ 66.27	3.4	1.4		
Health Care								**Market Weight**
Industrials							**12.2**	**Market Weight**
Morneau Shepell Inc.	MSI.TO	26-Sep-19	$ 32.72	$ 31.34	2.5	0.7		
Toromont Industries Ltd	TIH.TO	05-Dec-19	$ 67.24	$ 99.15	1.6	0.7		
WSP Global Inc.	WSP.TO	10-Sep-20	$ 88.54	$ 128.02	1.2	1.0		
Information Technology							**10.2**	**Underweight**
Kinaxis Inc.	KXS.TO	19-Mar-20	$ 100.05	$ 150.50	0.0	0.7		
Open Text Corp.	OTEX.TO	26-Oct-16	$ 41.61	$ 59.50	1.7	0.9		
Materials							**12.4**	**Overweight**
Agnico Eagle Resources Ltd.	AEM.TO	17-Dec-14	$ 27.00	$ 82.47	2.1	0.4		
SSR Mining Inc.	SSRM.TO	30-Jan-20	$ 23.81	$ 20.45	1.2	0.6		
Teck Resources Ltd.	TECKb.TO	01-Nov-17	$ 27.15	$ 27.36	0.7	1.2		
REITs							**3.2**	**Underweight**
Canadian Apartment Properties REIT	CAR_u.TO	10-Dec-20	$ 49.82	$ 55.30	2.5	0.7		
RioCan REIT	REI_u.TO	23-Aug-18	$ 19.95	$ 20.52	4.7	1.2		
Utilities							**4.8**	**Underweight**
Capital Power Corp.	CPX.TO	22-Aug-19	$ 30.90	$ 38.01	5.4	1.2		
Innergex Renewable Energy Inc.	INE.TO	22-Aug-19	$ 15.00	$ 22.72	3.2	0.8		

Source: Refinitiv (Priced April 23, 2021 after market close)

* R = Restricted Stocks - Stocks placed under restriction while on The NBF Strategic List will remain on the list, but noted as Restricted in accordance with compliance requirements

Week Ahead

THE ECONOMIC CALENDAR

(April 26th – April 30th)

U.S. Indicators

Date	Time	Release	Period	Previous	Consensus	Unit
26-Apr	08:30	**Durable Goods**	Mar	-1.2%	1.8%	Percent
26-Apr	08:30	Durables Ex-Transport	Mar	-0.9%	1.5%	Percent
26-Apr	08:30	Durables Ex-Defense MM	Mar	-0.8%		Percent
27-Apr	09:00	**CaseShiller 20 MM SA**	Feb	1.2%		Percent
27-Apr	09:00	CaseShiller 20 YY	Feb	11.1%		Percent
27-Apr	10:00	Consumer Confidence	Apr	109.7	111.7	Index
28-Apr	08:30	**Adv Goods Trade Balance**	Mar	-87.07B		USD
28-Apr	08:30	Wholesale Inventories Adv	Mar	0.6%		Percent
28-Apr	08:30	Retail Inventories Ex-Auto Adv	Mar	1.2%		Percent
28-Apr	10:30	EIA Wkly Crude Stk	19 Apr, w/e	0.594M		Barrel
28-Apr	14:00	**Fed Funds Tgt Rate**	28 Apr	0-0.25	0-0.25	Percent
29-Apr	08:30	**GDP Advance**	Q1	4.3%	5.7%	Percent
29-Apr	08:30	Core PCE Prices Advance	Q1	1.3%		Percent
29-Apr	08:30	**PCE Prices Advance**	Q1	1.5%		Percent
29-Apr	08:30	**Initial Jobless Clm**	19 Apr, w/e	547k		Person
29-Apr	08:30	Jobless Clm 4Wk Avg	19 Apr, w/e	651.00k		Person
29-Apr	08:30	Cont Jobless Clm	12 Apr, w/e	3.674M		Person
29-Apr	10:00	**Pending Sales Change MM**	Mar	-10.6%		Percent
29-Apr	10:30	EIA-Nat Gas Chg Bcf	19 Apr, w/e	38B		Cubic foot
30-Apr	08:30	**Personal Income MM**	Mar	-7.1%	20.0%	Percent
30-Apr	08:30	**Consumption, Adjusted MM**	Mar	-1.0%	3.8%	Percent
30-Apr	08:30	**Core PCE Price Index MM**	Mar	0.1%	0.3%	Percent
30-Apr	08:30	Core PCE Price Index YY	Mar	1.4%		Percent
30-Apr	08:30	PCE Price Index MM	Mar	0.2%		Percent
30-Apr	08:30	PCE Price Index YY	Mar	1.6%		Percent
30-Apr	08:30	Employment Wages QQ	Q1	0.9%		Percent
30-Apr	08:30	Employment Benefits QQ	Q1	0.6%		Percent
30-Apr	08:30	Employment Costs	Q1	0.7%	0.8%	Percent
30-Apr	09:45	Chicago PMI	Apr	66.3	63.0	Index
30-Apr	10:00	**U Mich Sentiment Final**	Apr	86.5	86.5	Index

Canadian Indicators

Date	Time	Release	Period	Previous	Consensus	Unit
28-Apr	08:30	**Retail Sales MM**	Feb	-1.1%		Percent
28-Apr	08:30	Retail Sales Ex-Autos MM	Feb	-1.2%		Percent
29-Apr	08:30	Average Weekly Earnings YY	Feb	8.35%		Percent
30-Apr	08:30	**GDP MM**	Feb	0.7%		Percent
30-Apr	08:30	**Producer Prices MM**	Mar	2.6%		Percent
30-Apr	08:30	Producer Prices YY	Mar	7.1%		Percent
30-Apr	08:30	Raw Materials Prices MM	Mar	6.6%		Percent
30-Apr	08:30	Raw Materials Prices YY	Mar	17.1%		Percent
30-Apr	11:00	Budget Balance, C$	Feb	-20.01B		CAD
30-Apr	11:00	Budget, Year-To-Date, C$	Feb	-268.18B		CAD

Source : Refinitiv

S&P/TSX QUARTERLY EARNINGS CALENDAR

Monday April 26th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Canadian National Railway Co	CNR	16:01	1.229

Tuesday April 27th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
First Quantum Minerals Ltd	FM	Aft-mkt	0.186
FirstService Corp	FSV	Bef-mkt	0.45
TFI International Inc	TFII	Aft-mkt	0.682

Wednesday April 28th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Alamos Gold Inc	AGI	Aft-mkt	0.126
Allied Properties Real Estate	AP-U	Aft-mkt	0.576
CGI Inc	GIB/A	Bef-mkt	1.337
Lundin Mining Corp	LUN	Aft-mkt	0.215
Methanex Corp	MX	Aft-mkt	1.05
Real Matters Inc	REAL	Bef-mkt	0.102
Shopify Inc	SHOP	Bef-mkt	0.74
Teck Resources Ltd	**TECK/B**	**Bef-mkt**	**0.626**
Vermilion Energy Inc	VET	Aft-mkt	N/A
Waste Connections Inc	WCN	Aft-mkt	0.668
Yamana Gold Inc	YRI	Aft-mkt	0.067

Thursday April 29th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Agnico Eagle Mines Ltd	**AEM**	**Aft-mkt**	**0.615**
AltaGas Ltd	ALA	Bef-mkt	0.90
Atco Ltd/Canada	ACO/X	Bef-mkt	0.987
BCE Inc	BCE	Bef-mkt	0.727
Canadian Utilities Ltd	CU	Bef-mkt	0.699
Choice Properties Real Estate	CHP-U	Aft-mkt	0.233
Eldorado Gold Corp	ELD	Aft-mkt	0.172
Fairfax Financial Holdings Ltd	**FFH**	**Aft-mkt**	**28.85**
Whitecap Resources Inc	WCP	Bef-mkt	0.078

Friday April 30th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Canfor Corp	CFP		3.298
Capital Power Corp	**CPX**	**Bef-mkt**	**0.645**
Imperial Oil Ltd	IMO	Bef-mkt	0.508

Source: Bloomberg, NBF Research

*Companies of the S&P/TSX index expected to report. Stocks from the Strategic List are in Bold.

S&P500 INDEX QUARTERLY EARNINGS CALENDAR

Monday April 26th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Alexandria Real Estate Equitie	ARE	Aft-mkt	1.841
Ameriprise Financial Inc	AMP	Aft-mkt	4.693
Cadence Design Systems Inc	CDNS	Aft-mkt	0.743
Otis Worldwide Corp	OTIS	Bef-mkt	0.631
Packaging Corp of America	PKG	Aft-mkt	1.438
SBA Communications Corp	SBAC	Aft-mkt	2.053
Tesla Inc	TSLA	Aft-mkt	0.78
Universal Health Services Inc	UHS	Aft-mkt	2.243

Tuesday April 27th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
3M Co	MMM	Bef-mkt	2.302
Advanced Micro Devices Inc	AMD	Aft-mkt	0.44
Alphabet Inc	GOOGL	Aft-mkt	15.65
Amgen Inc	AMGN	Aft-mkt	4.036
Archer-Daniels-Midland Co	ADM	Bef-mkt	1.041
Boston Properties Inc	BXP	Aft-mkt	1.553
Capital One Financial Corp	COF	16:05	4.101
Centene Corp	CNC	Bef-mkt	1.575
CH Robinson Worldwide Inc	CHRW	Aft-mkt	0.98
Corning Inc	GLW	Bef-mkt	0.428
DTE Energy Co	DTE	Bef-mkt	2.167
Ecolab Inc	ECL	Bef-mkt	0.815
Edison International	EIX	Aft-mkt	0.707
Eli Lilly & Co	LLY	Bef-mkt	2.123
Enphase Energy Inc	ENPH	Aft-mkt	0.418
Equity Residential	EQR	Aft-mkt	0.684
Essex Property Trust Inc	ESS	Aft-mkt	3.059
F5 Networks Inc	FFIV	Aft-mkt	2.395
Fiserv Inc	FISV	Bef-mkt	1.126
General Electric Co	GE		0.014
Hasbro Inc	HAS	Bef-mkt	0.628
IDEX Corp	IEX	Aft-mkt	1.415
Illumina Inc	ILMN	Aft-mkt	1.395
Invesco Ltd	IVZ	07:00	0.615
Juniper Networks Inc	JNPR	Aft-mkt	0.252
Marsh & McLennan Cos Inc	MMC	Bef-mkt	1.713
Maxim Integrated Products Inc	MXIM	Aft-mkt	0.752
Microsoft Corp	MSFT	Aft-mkt	1.782
Mondelez International Inc	MDLZ	16:05	0.69
MSCI Inc	MSCI	Bef-mkt	2.259

NOV Inc	NOV	Aft-mkt	(0.22)
ONEOK Inc	OKE	Aft-mkt	0.769
PACCAR Inc	PCAR	Bef-mkt	1.266
Principal Financial Group Inc	PFG	16:15	1.343
PulteGroup Inc	PHM	Bef-mkt	1.214
Raytheon Technologies Corp	RTX	Bef-mkt	0.803
Roper Technologies Inc	ROP	Bef-mkt	3.315
Sherwin-Williams Co/The	SHW	Bef-mkt	1.643
Starbucks Corp	SBUX	Aft-mkt	0.53
Stryker Corp	SYK	16:05	1.986
Synchrony Financial	SYF	06:30	1.371
Teradyne Inc	TER	17:00	1.044
Texas Instruments Inc	TXN	Aft-mkt	1.573
UDR Inc	UDR	Aft-mkt	0.472
United Parcel Service Inc	UPS	06:00	1.734
Visa Inc	V	Aft-mkt	1.273
Waste Management Inc	WM	Bef-mkt	1.014

Wednesday April 28th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Aflac Inc	AFL	Aft-mkt	1.215
Align Technology Inc	ALGN	16:00	2.03
Amphenol Corp	APH	Bef-mkt	0.472
Apple Inc	AAPL		0.985
Automatic Data Processing Inc	ADP	Bef-mkt	1.822
AvalonBay Communities Inc	AVB	Aft-mkt	1.926
Avery Dennison Corp	AVY	06:45	2.042
Boeing Co/The	BA	Bef-mkt	(0.905)
Boston Scientific Corp	BSX	Bef-mkt	0.306
Cincinnati Financial Corp	CINF	Aft-mkt	1.102
CME Group Inc	CME	07:00	1.765
Discovery Inc	DISCA	07:00	0.643
Duke Realty Corp	DRE	Aft-mkt	0.389
eBay Inc	EBAY		1.072
Entergy Corp	ETR	Bef-mkt	1.165
Equinix Inc	EQIX	Aft-mkt	4.518
Everest Re Group Ltd	RE	Aft-mkt	4.424
Extra Space Storage Inc	EXR	Aft-mkt	1.49
Facebook Inc	FB	Aft-mkt	2.334
Ford Motor Co	F	16:05	0.201
General Dynamics Corp	GD	Bef-mkt	2.294
Hess Corp	HES	Bef-mkt	0.296
Hologic Inc	HOLX	Aft-mkt	2.619
Humana Inc	HUM	06:30	6.978
Ingersoll Rand Inc	IR	Aft-mkt	0.347
Interpublic Group of Cos Inc/T	IPG	Bef-mkt	0.148
Masco Corp	MAS	07:00	0.666
MGM Resorts International	MGM	Aft-mkt	(0.85)

Mid-America Apartment Communit	MAA	Aft-mkt	1.611
Moody's Corp	MCO	Bef-mkt	2.799
Norfolk Southern Corp	NSC	08:00	2.539
O'Reilly Automotive Inc	ORLY	16:30	5.334
PTC Inc	PTC	Aft-mkt	0.70
Public Storage	PSA	Aft-mkt	2.715
QUALCOMM Inc	QCOM	Aft-mkt	1.668
Raymond James Financial Inc	RJF	Bef-mkt	2.112
Rockwell Automation Inc	ROK	Bef-mkt	2.164
Rollins Inc	ROL	Bef-mkt	0.113
ServiceNow Inc	NOW	Aft-mkt	1.344
Stanley Black & Decker Inc	SWK	Bef-mkt	2.561
Teledyne Technologies Inc	TDY	Bef-mkt	2.568
Tyler Technologies Inc	TYL	Aft-mkt	1.329
United Rentals Inc	URI	Aft-mkt	3.116
Welltower Inc	WELL	Aft-mkt	0.746
Yum! Brands Inc	YUM		0.863

Thursday April 29nd, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
A O Smith Corp	AOS	Bef-mkt	0.57
ABIOMED Inc	ABMD	Bef-mkt	1.113
Altria Group Inc	MO	07:00	1.038
Amazon.com Inc	AMZN	Aft-mkt	9.603
American Tower Corp	AMT	07:00	2.364
Arthur J Gallagher & Co	AJG	Aft-mkt	1.833
Baxter International Inc	BAX	Bef-mkt	0.645
Bio-Rad Laboratories Inc	BIO	Aft-mkt	2.995
Bristol-Myers Squibb Co	BMY	Bef-mkt	1.805
Cabot Oil & Gas Corp	COG	Aft-mkt	0.369
Carrier Global Corp	CARR	Bef-mkt	0.371
Caterpillar Inc	CAT	06:30	1.941
CBRE Group Inc	CBRE	06:55	0.671
Church & Dwight Co Inc	CHD	Bef-mkt	0.808
Citrix Systems Inc	CTXS	Bef-mkt	1.439
CMS Energy Corp	CMS	Bef-mkt	1.127
Comcast Corp	CMCSA	Bef-mkt	0.585
Dexcom Inc	DXCM	Aft-mkt	0.299
Digital Realty Trust Inc	DLR	Aft-mkt	1.563
Domino's Pizza Inc	DPZ	Bef-mkt	2.941
Eastman Chemical Co	EMN	16:30	2.039
Fortinet Inc	FTNT	Aft-mkt	0.739
Fortive Corp	FTV	Aft-mkt	0.598
Fortune Brands Home & Security	FBHS	Aft-mkt	1.043
Generac Holdings Inc	GNRC	Bef-mkt	1.808
Gilead Sciences Inc	GILD	Aft-mkt	2.043
Hershey Co/The	HSY	07:00	1.808
Intercontinental Exchange Inc	ICE	Bef-mkt	1.311
International Paper Co	IP	Bef-mkt	0.599

Kimco Realty Corp	KIM	Bef-mkt	0.299
KLA Corp	KLAC	Aft-mkt	3.568
Kraft Heinz Co/The	KHC	Bef-mkt	0.597
Laboratory Corp of America Hol	LH	Bef-mkt	7.29
LKQ Corp	LKQ	Bef-mkt	0.629
Mastercard Inc	MA	Bef-mkt	1.586
McDonald's Corp	MCD	Bef-mkt	1.808
Merck & Co Inc	MRK	Bef-mkt	1.627
Mohawk Industries Inc	MHK	Bef-mkt	2.807
Molson Coors Beverage Co	TAP	07:00	(0.066)
Newmont Corp	NEM	Bef-mkt	0.819
Northrop Grumman Corp	NOC	Bef-mkt	5.47
Parker-Hannifin Corp	PH	Bef-mkt	3.722
ResMed Inc	RMD	Aft-mkt	1.273
S&P Global Inc	SPGI	07:15	3.04
Skyworks Solutions Inc	SWKS	Aft-mkt	2.351
Southern Co/The	SO	07:30	0.834
T Rowe Price Group Inc	TROW		2.942
Teleflex Inc	TFX	Bef-mkt	2.42
Textron Inc	TXT	Bef-mkt	0.467
Thermo Fisher Scientific Inc	TMO	Bef-mkt	6.684
Twitter Inc	TWTR	Aft-mkt	0.141
Vertex Pharmaceuticals Inc	VRTX	Aft-mkt	2.701
West Pharmaceutical Services I	WST	Bef-mkt	1.432
Western Digital Corp	WDC	Aft-mkt	0.678
Westinghouse Air Brake Technol	WAB	Bef-mkt	0.863
Xcel Energy Inc	XEL	Bef-mkt	0.605

Friday April 30th, 2021

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
AbbVie Inc	ABBV	Bef-mkt	2.778
Aon PLC	AON	06:00	4.041
Cboe Global Markets Inc	CBOE	Bef-mkt	1.391
Charter Communications Inc	CHTR	07:00	4.264
Chevron Corp	CVX	Bef-mkt	0.898
Clorox Co/The	CLX	Bef-mkt	1.457
Colgate-Palmolive Co	CL	Bef-mkt	0.791
Exxon Mobil Corp	XOM		0.596
Illinois Tool Works Inc	ITW	08:00	1.897
Johnson Controls International	JCI	Bef-mkt	0.491
L3Harris Technologies Inc	LHX	Bef-mkt	2.907
LyondellBasell Industries NV	LYB	Bef-mkt	2.613
Newell Brands Inc	NWL	Bef-mkt	0.133
Phillips 66	PSX	Bef-mkt	(1.403)
Weyerhaeuser Co	WY	Bef-mkt	0.878
WW Grainger Inc	GWW	08:00	4.297

Source: Bloomberg, NBF Research
* Companies of the S&P500 index expected to report.

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